Background

Over the past few years, the Sierra Nevada Conservancy (SNC) has been actively involved in issues relating to forest and community health. The Sierra Nevada Forest and Community Initiative (SNFCI) was adopted by the SNC Board in 2011 and was endorsed by all 22 Sierra counties, as well as numerous other groups and organizations. The Initiative called for parties to work together in a collaborative manner with the objectives of restoring forests to ecological health and improving local communities' social and economic well-being.

As a part of SNFCI, the SNFCI Regional Coordinating Council was formed under SNC's leadership. Representatives on the Coordinating Council includes a wide range of diverse perspectives including local government, environmental and conservation organizations, the wood products industry, fire safe councils, community organizations and public land management agencies. Boardmember Kirkwood serves as the Board Liaison to the Coordinating Council.

At the same time, a number of local collaborative efforts with objectives consistent with the Initiative have begun in the Region. SNC staff have been actively involved with many of these collaboratives and the SNC has provide financial support to a number of them.

Shortly after this initiative began, the U.S. Forest Service Region 5 released its "Leadership Intent for Ecological Restoration" which articulated the need to increase the pace and scale of forest restoration. This document is consistent with the Initiative and has helped to further bring parties together on the many challenges that we face in achieving our objectives.

Current Status

At the June Board meeting, the Board directed SNC staff to develop a plan that ensures that the issues being addressed under the SNFC Initiative were the organization's top priority. In response to this direction, staff has prepared:

- The "State of Sierra Forests" report (<u>Attachment A</u>). The "State of Sierra Forests" report represents our best understanding of current conditions at this time. It may be updated from time to time as new information becomes available or circumstances change;
- 2) The SNFCI Action Plan (<u>Attachment B</u>). The Action Plan addresses issues at the Regional level as well as developing a plan at the watershed/county/National Forest level. SNC efforts will be closely coordinated with partners at the Regional and local levels.

The Board also directed staff to consider whether some activities identified in the 2014-15 Action Plan should be removed so that additional resources could be directed into the SNFCI efforts. At this time, staff is not proposing changes to the Action Plan, but may do so at the December meeting. Any adjustments in resource allocations needed to enhance our efforts on the SNFCI Action Plan during the interim will be made.

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This additional emphasis on these issues occurs recognizing that the conditions faced in the Region are critical and require a response with a high degree of urgency. While the primary focus of our efforts will continue to be federally managed forests, we will approach efforts with an "all lands" perspective as appropriate. Large fires such as the Rim Fire not only pose threats to communities and resources, the expense of fire suppression often results in reducing funds available for restoration efforts. In addition, the flow of salvaged logs from these fires can easily meet or exceed mill capacity in the Region, once again resulting in restoration projects with a log component becoming infeasible. We find ourselves in a cycle that causes us to fall further behind in needed restoration work. All indications suggest that the changing climate (and the current drought) will result in a longer fire season, with more large intense fires.

While the pace and scale of work continues to lag well behind what is needed, it is important to acknowledge that there a number of positive developments in the efforts to restore our forests to ecological health. In carrying out the Board's direction, the SNC will enhance and build upon these efforts, as well as identifying more ways for the organization to increase pace and scale. An example of the activities occurring, include the following:

The Sierra Nevada Forest and Community Regional Coordinating Council

The SNCFI Regional Coordinating Council continues to work to support efforts to increase the pace and scale of ecological restoration. Generally speaking, the Coordinating Council focuses on policy, investment, and science and research issues that affect the success of the SNFCI. Among other activities, the Coordinating Council has been actively working with Region 5 U.S. Forest Service (USFS) leadership to help them turn the vision of the Leadership Intent into real implementation measures. Currently the Coordinating Council's efforts focus on five key issues that affect pace and scale:

- Addressing Restoration at a Larger Landscape Level
- o Increased Use of Prescribed and Managed Fire
- Protecting and Increasing Wood/Biomass Processing Infrastructure
- Ensuring Local Socio-Economic Benefits from Restoration Efforts
- Potential for Restoration Treatment on Steep Slopes

Workgroups comprised of Council members and USFS staff, with coordination from the SNC, are developing approaches and actions to address these issues in a manner consistent with the SNFC Initiative and the Leadership Intent.

Local Collaborative Efforts

As noted above, forest-community collaboratives are active throughout much of the Region. There have been a number of positive outcomes from these efforts that can form a foundation for a more significant increase in the pace and scale of restoration. Examples of successes to date include the following:

Three Collaborative Forest Landscape Restoration Program (CFLRP)
Funding Awards (a new federal program designed to support highly collaboratives forest restoration efforts) went to projects in the Sierra

Nevada: the Dinkey Creek Collaborative in 2010 (\$829,000); and the Amador-Calaveras Collaborative Cornerstone Project (\$730,000) and the Burney Hat Creek Basins Project (\$605,000) in 2012;

- The Cabin Creek biomass facility in eastern Placer County is nearing commencement of construction activities.
- The North Fork Biomass Project in eastern Madera County cleared their last planning hurdles in April 2014 with the approval of a Conditional Use Permit (CUP) that supports the construction of a state-of-the-art bioenergy facility.
- Significant funding was secured in the Sierra Nevada for Biomass
 Utilization Projects in June, 2013 from the USDA Forest Service's Woody
 Biomass Utilization Grant Program including the Sierra Institute for
 Community and Environment, in Plumas County (\$250,000), and
 Calaveras Healthy Impact Products Solution, in Wilseyville (\$184,405).
- SNC assisted in the development of a highly collaborative expedited National Environmental Policy Act (NEPA) process for Rim Fire Restoration Salvage Environmental Impact Statement (EIS) in the spring of 2014

Biomass Utilization

The SNC continues to be involved on a number of fronts in an effort to increase the utilization of biomass removed as part of forest restoration. Increasing the amount of wood/biomass processing infrastructure is an essential component in increasing pace and scale of restoration. By creating additional opportunities for utilizing biomass, value is created for the material, making more projects economically feasible.

While recent State planning efforts and policies are increasing support for the use of biomass to create renewable energy and reducing the risk of damaging wildfire, little progress has been made to date in terms of facilitating being constructed and operated. Unfortunately, at the same time, a number of larger biomass energy plants have been taken "off line," only adding to problem.

The proposed SNFCI Action Plan will build on the ongoing work in the Region. The SNC will continue to operate in a collaborative manner, interacting with the wide range of stakeholders involved with these issues. We will also continue to focus on areas where there is broad agreement, recognizing that there is a substantial amount of work that can be done where there is not conflict and/or controversy.

Next Steps

Upon approval by the Governing Board, SNC staff will finalize the "State of Sierra Forests" report and release it to the public. As noted above, the SNC may update this report from time to time to add new information or address emerging issues.

Upon approval by the Governing Board, SNC staff will continue working on the SNFCI Action Plan, engaging stakeholders and soliciting public comment. It is anticipated that

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the Action Plan will be brought back to the Governing Board at the December 2014 meeting.

Recommendation

Staff recommends that the Board approve the "State of Sierra Forests" report and authorize staff to release the report upon finalization. Staff further recommends that the Board approve the draft SNFCI Action Plan and direct staff to work with interested parties in preparing a final draft for Board review and possible approval at the December 2014 meeting.